# United States Bankruptcy Court
# Central District of California
## Los Angeles
## Judge Ernest Robles, Presiding
## Courtroom 1568 Calendar

**Monday, May 3, 2021** **Hearing Room 1568**

10:00 AM

**2:20-14379 Petroleum Gas Station Maintenance and Construction** **Chapter 7**

**#1.00** HearingRE: [31] Notice of motion and motion for relief from automatic stay with supporting declarations ACTION IN NON-BANKRUPTCY FORUM RE: (Action in Nonbankruptcy Forum) .

Docket 31

**Tentative Ruling:**

4/29/2021

**Tentative Ruling:**

This motion for relief from the automatic stay has been set for hearing on the notice required by LBR 4001(c)(1) and LBR 9013-1(d)(2) . On April 19, 2021, the Chapter 7 Trustee filed a Conditional Non-Opposition. *See* Doc. No. 33. The Chapter 7 Trustee does not object to the relief requested, but merely asks that the Court include the language the the movant may only recover from applicable insurance and waives any deficiency or other claim against the Debtor or property of the Debtor's bankruptcy estate. Conditional Non-Opposition at 2.

The motion is granted pursuant to 11 U.S.C. § 362(d)(1) to permit movant to proceed under applicable non-bankruptcy law to enforce its remedies to proceed to final judgment in the non-bankruptcy forum, provided that the stay remains in effect with respect to enforcement of any judgment against the Debtor or estate property. The claim is insured. Movant may seek recovery only from applicable insurance, if any, and waives any deficiency or other claim against the Debtor or estate property.

This order shall be binding and effective despite any conversion of the bankruptcy case to a case under any other chapter of Title 11 of the Unites States Code. This order shall also be binding and effective in any bankruptcy case by or against the Debtor for a period of 180 days, so that no further automatic stay shall arive in that case as to the Nonbankruptcy Action. All other relief is denied.

10:00 AM
**CONT... Petroleum Gas Station Maintenance and Construction** **Chapter 7**

Movant shall upload an appropriate order via the Court's Lodged Order Upload system within 7 days of the hearing.

No appearance is required if submitting on the court's tentative ruling. If you intend to submit on the tentative ruling, please contact Daniel Koontz or Andrew Lockridge, the Judge's law clerks, at 213-894-1522. **If you intend to contest the tentative ruling and appear, please first contact opposing counsel to inform them of your intention to do so.** Should an opposing party file a late opposition or appear at the hearing, the court will determine whether further hearing is required. If you wish to make a telephonic appearance, contact Court Call at 888-882-6878, no later than one hour before the hearing.

**Party Information**

**Debtor(s):**

Petroleum Gas Station Maintenance — Represented By James R Selth

**Trustee(s):**

Edward M Wolkowitz (TR) — Represented By Anthony A Friedman

10:00 AM
**2:21-12447 Med Equity, LLC** **Chapter 11**

**#2.00** HearingRE: [20] Notice of motion and motion for relief from the automatic stay with supporting declarations REAL PROPERTY RE: 871 Linda Flora Drive, Los Angeles, CA 90049 . (Woods, Dan)

Docket 20

**Tentative Ruling:**

4/29/2021

**Note: Telephonic Appearances Only. The Courtroom will be unavailable for in-court appearances. If you wish to make a telephonic appearance, contact Court Call at 888-882-6878, no later than one hour before the hearing. The cost for persons representing themselves has been waived.**

For the reasons set forth below, the Motion is **DENIED.**

## Pleadings Filed and Reviewed:

1) Notice of Motion and Motion for Relief from the Automatic Stay Under 11 U.S.C. § 362 (with supporting declarations) (Real Property) (the "Motion") [Doc. No. 20]
    a. Memorandum of Points and Authorities in Support of Motion for Relief from Automatic Stay (the "Memorandum in Support") [Doc. No. 22]
    b. Supplemental Declaration of Saman Jilanchi (the "Supplemental Jilanchi Decl.") [Doc. No 21]
2) Debtor's Opposition to Motion for Relief from Stay (the "Opposition") [Doc. No. 26]
    a. Request for Judicial Notice in Support of Debtor's Opposition to Motion for Relief from Stay [Doc. No. 27]
    b. Declaration of Joshua Pukini in Support of Opposition to Motion for Relief from Stay (the "Pukini Decl.") [Doc. No. 28]
    c. Declaration of Jeffrey A. Borsuk in Support of Opposition to Motion for Relief from Stay (the "Borsuk Decl.") [Doc. No. 29]
3) Reply Brief in Support of Motion for Relief from the Automatic Stay (the

10:00 AM
**CONT... Med Equity, LLC** **Chapter 11**

"Reply") [Doc. No. 30]

a. Declaration of Saman Jilanchi in Response to Med Equity LLC's Opposition to Motion for Relief from the Automatic Stay (the "Jilanchi Decl.") [Doc. No. 31]
b. Declaration of Scott J. Street in Response to Med Equity LLC's Opposition to Motion for Relief from the Automatic Stay [Doc. No. 32]

## I. Facts and Summary of Pleadings

On March 26, 2021, debtor and debtor-in-possession Med Equity, LLC (the "Debtor") filed its voluntary chapter 11 petition. *See* Doc. No. 1. The Debtor's primary asset is a parcel of real property located at 871 Linda Flora Drive, Los Angeles, CA 90049 (the "Property"). On its petition, the Debtor scheduled the Property at a value of $7,000,000 based upon an appraisal, with approximately $3,000,000 in secured claims against it.

### A. The Motion

On April 12, 2021, Saman Jilanchi ("Jilanchi"), Qwan International Investments, LLC and Qwan Capital LLC (collectively, the "Movants") filed their Motion and Memorandum in Support. In their Motion, the Movants argue for relief pursuant to 11 U.S.C. §§ 362(d)(1) & (d)(2). The Movants also argue that the bankruptcy case was filed in bad faith because the Movants are one of only a few creditors. Motion at 3-4. The Movants assert that they have claims of $3,677,524.08 against the Property, and the value of the Property is only $2,350,000; therefore, the Property is entirely underwater. *Id.* at 7-8. The Movant's valuation is supported by an appraisal by Chris Adelman (the "Movants' Appraiser"), a certified appraiser, who conducted an appraisal on January 12, 2021 and assessed the fair market value of the Property at $2,350,000. Ex. C. to Motion at 2. The Movants' Appraiser notes that the Property is a 1.04 acre lot on a "flat pad;" the Property is vacant and there is no livable structure on the lot. *Id.* at 6.

In their Memorandum in Support, the Movants provide more background information on the history of the Property and dealings with the Debtor. The Movants state that on or about November 1, 2018, the Movants made a $4.5 million loan (the "Loan") to the Debtor secured by the Property. Memorandum in Support at 2. Approximately $1.5 million of that was supposed to be used by the Debtor to build a

single-family home on the property, but was not disbursed because the Debtor "did not meet the construction milestones." *Id.* at 3. The entirety of the Loan matured on June 1, 2020, and the Debtor did not pay the outstanding balance. The Movants recorded a notice of default, and sued the Debtor and its principals in Los Angeles Superior Court for breach of written agreements. *Id.* A foreclosure sale was scheduled for December 29, 2020. Shortly before the foreclosure sale was to be held, the Debtor filed an *ex parte* application to enjoin the sale. The Superior Court granted the preliminary injunction on the condition that the Debtor post a $900,000 bond. *Id.* at 4. The Debtor did not post the bond and the Superior Court dissolved the injunction. *Id.* A subsequent foreclosure sale was set for April 1, 2021. *Id.* at 3-4. The Movants now argue that the instant case was filed in bad faith because the Debtor is simply attempting to impede the foreclosure process. The Movants believe that if the Debtor was serious about the bankruptcy process, it would have filed for bankruptcy when it defaulted on the Loan, or when the first foreclosure sale was set to occur in December. *Id.* at 7. The Movants also argue that the Property is the sole valuable asset of the Debtor, and the Debtor has listed very few creditors. The Movants further state that the Debtor has no equity in the Property and therefore relief from stay ought to be granted. *Id.* at 7-8.

**B. <u>The Opposition</u>**

On April 19, 2021, the Debtor filed its Opposition. The Debtor argues that it owes the Movant far less than the $3.7 million they claim. The Debtor argues that the when the Movants withheld $1.5 million of the original Loan, they were in breach of contract and the Debtors were forced to commence a state court action against the Movants. Opposition at 3. Furthermore, the Debtor argues that it *did* in fact make numerous improvements to the property, including "(i) extensive grading, (ii) driving scores of 30-40 foot concrete pylons, (iii) erecting massive retaining walls, (iv) laying an enormous foundation, (v) installing extensive under ground utilities and (vi) completing much of a driveway for an 8,1000 square foot luxury home." *Id.* at 2-3. The Debtor argues that the property is actually worth $5,200,000 and the Movants' valuation is incorrect because it does not take into account the view, the "enormous 21,000 square foot pad size (which Debtor increased from 7,000 to 21,000 feet through the construction)" and the abovementioned improvements. *Id.* at 3.

The Debtor's valuation is based on an appraisal done by Jeffrey Borsuk (the "Debtor's Appraiser"), a licensed appraiser, on April 15, 2021. Borsuk Decl. at ¶¶ 8-9.

The Debtor's Appraiser believes that his valuation is more accurate because the Movants' Appraiser did not take into account all of the improvements that the Debtor did to the property, including but not limited to, the expansion of the building pad from 7,000 square feet to 20,000 square feet, which the Debtor's Appraiser calls "extremely rare in the subject market area." Ex. 3 to Borsuk Decl.

Furthermore, the Debtor believes that the Movants' Appraiser's valuation is implausible because the Movants loaned the Debtor $4.5 million on a property that was supposedly worth far less. Opposition at 9. The Debtor quotes one of the Movants' state court pleadings where the Movants note that they do not loan money on properties unless a 75% loan to value "would provide some equity to protect their investment." *Id.* at 9. Therefore, the loan to value ratio on this Property using the Movants' valuations does not make sense. The Debtor further avers that the case was not filed in bad faith because it has listed 17 creditors and it intends to file a plan of reorganization that will pay 100% of the Movants' claim. Opposition at 4 & 8.

**C. The Reply**

On April 26, 2021, the Movants filed their Reply. The Movants argue that this case was filed in bad faith because the Debtor is attempting to block the sale of the Property. Reply at 5-6. The Movants aver that the Debtor's primary asset is the Property, and the Debtor has few unsecured creditors. They believe that most of the unsecured creditors do not actually have claims against the estate and the only true unsecured claims are held by two law firms and a construction company that the Debtor allegedly owns. *Id.* at 6. Furthermore, they argue that the Debtor does not have any meaningful cash flow, and the Debtor has not shown that the Property is necessary for an effective reorganization. The Movants also believe that the Debtor's Appraiser's valuation is "exaggerated and unrealistic." *Id.* at 9. They state that the Debtor's Appraiser's attack on the Movants' Appraiser "lacks merit" because the Movants' Appraiser did in fact consider that the Property is located on a level pad and would not require extensive soil grading or stabilization. *Id.* at 10. The Movants also contest the Debtor's assertion that the Debtor made $1.8 million in improvements to the property. The Movants believe that it is "unreasonable to believe that Med Equity spent nearly half of the budgeted funds (allegedly $1.8 million) to get the Property into its current state." *Id.* at 11.

Furthermore, the Movant's assert that the Debtor's Appraiser "cannot be

trusted" because in August of 2018 he appraised the Property at $3.5 million, assuming that "all foundational work [was] done and ready for vertical construction." *Id.* at 12. Now that the foundational work is done, the Movants argue, it is illogical that the Debtor's Appraiser would re-appraise the property at $5.2 million. Finally, the Movant argues that, at a minimum, the Court should order Med Equity to pay adequate protection payments.

## II. Findings of Fact and Conclusions of Law

As a preliminary matter, the Court emphasizes the notion that motions for relief from the automatic stay are "summary proceeding[s]" that should not involve "an adjudication of the merits of claims." *In re Luz Intern., Ltd.*, 219 B.R. 837, 842 (9th Cir. BAP 1998); *see also Grella v. Salem Five Cent Sav. Bank*, 42 F.3d 26, 31 (1st Cir. 1994) and *In re Johnson*, 756 F.2d 738, 740 (9th Cir. 1985). Both parties spend much of their pleadings discussing the other's alleged breach of contract, the cost of improvements, and the pending state court proceedings. The Court will not consider the merits of any action currently pending in state court, and will simply focus on whether the Movants have made a sufficient showing for relief from the automatic stay under 11 U.S.C. §§ 362(d)(1) & (d)(2).

### A. Value of the Property

The Court must address the value of the Property in order to determine whether stay relief ought to be granted. The movant bears the initial burden to show there is either an inadequate equity cushion or that the Debtor has no equity in the Property, which is in turn dependent upon the fair market value of the Property. *See* 11 U.S.C. § 362(g). The Movants posit that, based on the Movants' Appraiser's valuation, the Property has a value of $2,350,000. In contrast, the Debtor contends that, based upon the Debtor's Appraiser's valuation, the Property is worth $5,200,000-$6,000,000 **[Note 1]**. The Debtor also scheduled the Property at a value of $7,000,000. *See In re Enewally*, 368 F.3d 1165, 1173 (9th Cir. 2004) ("an owner's opinion of property value may be conclusive"); *Universal Pictures Co. v. Harold Lloyd Corp.*, 162 F.2d 354, 369 (9th Cir. 1947) (finding that the owner of property "may always testify to its value").

Here, there are two competing valuations. "[V]aluation of assets is 'not an exact science.'" *In re Karakas*, 2007 WL 1307906, at * 5 (Bankr. N.D.N.Y. May 3, 2007). "'A Court may look to the accuracy, credibility and methodology employed by

the appraisers.'" *In re Lepage*, 2011 WL 1884034, at *4 (Bankr. E.D.N.Y. May 18, 2011). In terms of the experience of the appraisers, both are licensed in California and have been practicing for many years, so the Court finds little to distinguish them as far as experience and qualifications.

When determining which valuation, if any, to adopt, one bankruptcy court noted:

> The Court may accept an appraisal in its entirety or may choose to give weight only to those portions of an appraisal that assist the Court in its determination. *See, In re Brown,* 289 B.R. 235, 238 (Bankr. M.D. Fla. 2003). "[W]hen competing appraisals are submitted, the court is required to consider portions of each to arrive at what it believes to be a realistic market value for the property." *In re Belmont Realty Corp.,* 113 B.R. 118, 121 (Bankr. D.R.I. 1990). Heightened scrutiny is appropriate when two competent appraisals are presented by qualified appraisers stating widely divergent values. *See In re Grind Coffee & Nosh, L.L.C.,* 2011 WL 1301357 (Bankr. S.D. Miss. 2011).

*In re 210 Ludlow St. Corp.,* 455 B.R. 443, 448 (Bankr. W.D. Pa. 2011).

"In valuing residential real property, the typical method used is the comparable sales method." *In re Levin*, No. 8-17-77330, 2020 WL 1987783, *3 (Bankr. E.D.N.Y. Apr. 24, 2020). Comparables in this case, however, do not paint the full picture. The Debtor's Appraiser's comparables ranged in price from $2.1 million to $3.6 million. However, he noted that "all the comparables are inferior to the subject site in usable pad area and views." Ex. 3 to Borsuk Decl. The Movants' Appraiser's comparables ranged in price from $2.1 million to $3 million. However, he also did not find any strong comparables because of "the limited data of similar properties and due to the geographical characteristics of the subject's market area . . . ." Ex. C. to Motion at 8.

In addition to comparables, courts may also look to "other factors such as location, lot size, square footage, condition, and age of the property." *In re Toal*, No. 10-72783-478, 2011 WL 3607911, *3 (Bankr. E.D.N.Y. Aug. 15, 2011). "What matters is not the mere existence of widely varying appraisals, but the *reasons* for those variations." *In re Bate Land & Timber, LLC*, 523 B.R. 483, 499 (Bankr. E.D.N.C. 2015). The main distinguishing factor between the two appraisals is the size

of the building pad, or the size of the area upon which a home may be built. The Debtor notes that the Property is 1.04 acres and initially had a building pad of 7,000 square feet. The Debtor then improved the lot and increased the building pad to over 20,000 square feet. While Jilanchi states that the Movants' Appraiser "considered all the improvements that has been made to the Property as of January 2021," the Movants' Appraiser does not explicitly say that he took the increased building pad size into account – a key deficiency in the appraisal. Jilanchi Decl. at ¶ 8. Rather, he simply states that "the report was made under the assumption that the lot is buildable . . . ." Ex. C to Motion at 6-7. The Debtor's Appraiser, on the other hand, does state that he took into consideration the greatly expanded the building pad (almost tripling from 7,000 square feet to 20,000 square feet). *See* Ex. 3 to Borsuk Decl. ("The level pad of the subject site has been expanded from about 7000 sq ft to over 20000 sq ft at substantial expense ($1,784,668.80)"). Also, as noted above, the Debtor's Appraiser believes that the unusually large building pad is unique to the area. *See id.* The Court finds that this consideration could easily account for the drastic difference in conclusions made by the appraisers. It is plausible that tripling a building pad could add millions in value to a property. In addition, the Debtor's Appraiser explicitly states that plans for a single-family residence have been approved by the City of Los Angeles, and all entitlements and fees for permits have been paid (at a cost of approximately $450,000). *Id.* The Movants' Appraiser makes no mention of any of these attributes.

The Court also questions the Movants' suggestion that little or no work has been done on the property. While it is clear that there is no house on the land, the photos attached to both appraisals indicate that the land is completely cleared (where there was presumably a house before) and a large retaining wall has been installed. *Id.* at 11-12. Jilanchi states both that "[n]o construction has been done" and "almost no construction has been done on the Property." Supplemental Jilanchi Decl. at ¶¶ 5 & 14. On the other hand, one of the Debtor's principals, Joshua Pukini, submitted a signed declaration stating that they had spent just over $1.8 million "(i) obtaining the architectural plans and permits, (ii) grading the site and hauling dirt, (iii) building three cement retaining walls which have increased the building pad (i.e., level building area) from about 7,000 square feet to over 22,000 square feet, (iv) driving dozens of 30'-40' pylons into the hillside to stabilize the Property for building, and (v) installing underground electric and plumbing for the site." Pukini Decl. at ¶ 26. According to the photos, there has been at least some amount of construction

completed on the Property, the extent to which is unclear.

While both appraisals have deficiencies, the Court finds that the Debtor's Appraiser took into account factors that the Movants' Appraiser did not: the approval of plans for a single-family home, the fees and entitlements paid to the City of Los Angeles, and, most importantly, the construction and expansion of the building pad. Therefore, the Court finds that Debtor's Appraiser's valuation is more realistic, and the Property has a value of $5.2 million.

However, a major point of contention is exactly how much work has been done on the land and at what cost. The disposition of that issue is better suited for the relevant state court proceedings. Therefore, this Court's valuation finding is for the purposes of this lift stay motion only and is not intended to have any preclusive effect in the pending state court proceedings.

**B. Adequate Protection Under 11 U.S.C. § 362(d)(1)**

Under § 362(d)(1), the court shall grant relief "for cause, including the lack of adequate protection of an interest in property of such party in interest." Generally, what constitutes cause for purposes of § 362(d) "has no clear definition and is determined on a case-by-case basis." *In re Tucson Estates, Inc.*, 912 F.2d 1162, 1166 (9th Cir. 1990); *see also Little Creek Dev. Co. v. Commonwealth Mortgage Corp. (In the Matter of Little Creek Dev. Co.)*, 779 F.2d 1068, 1072 (5th Cir. 1986) (relief from the automatic stay may "be granted 'for cause,' a term not defined in the statute so as to afford flexibility to the bankruptcy courts"). However, cause under § 362(d)(1) expressly includes a lack of adequate protection. Section 361 sets forth three non-exclusive examples of what may constitute adequate protection: (1) periodic cash payments equivalent to decrease in value; (2) an additional or replacement lien on other property; or (3) other relief that provides the indubitable equivalent. *See In re Mellor*, 734 F.2d at 1400. The Ninth Circuit has established that an equity cushion of at least 20% constitutes adequate protection for a secured creditor. *Id.* at 1401; *see Downey Sav. & Loan Ass'n v. Helionetics, Inc. (In re Helionetics, Inc.)*, 70 B.R. 433, 440 (Bankr. C.D. Cal. 1987) (holding that a 20.4% equity cushion was sufficient to protect the creditor's interest in its collateral).

Here, the Property's fair market value is determined to be $5.2 million, and the Movants contend that they have a total claim of $3,677,524.08. Based on these

figures, the Court finds that the Movant is adequately protected by an equity cushion of $1,522,475.92, which constitutes 29.3% of the Property's fair market value. Moreover, the Movants have not established that the Property is declining in value. In sum, the Court determines that the Movant is not entitled to relief for lack of adequate protection at this time. For the same reason, because the Debtor has equity in the property, the Movants are not entitled to stay relief under § 362(d)(2).

**C. Bad Faith Finding Under 11 U.S.C. § 362(d)(1)**

As many cases have recognized, a "debtor's lack of good faith in filing a petition for bankruptcy may be the basis for lifting the automatic stay" under § 362(d)(1). *In re Laguna Assocs. Ltd. P'ship*, 30 F.3d 734, 737 (6th Cir. 1994); *see also Carolin Corp. v. Miller*, 886 F.2d 693, 699 (4th Cir. 1989) ("Section 362(d)(1)'s 'for cause' language authorizes the court to determine whether, with respect to the interests of a creditor seeking relief, a debtor has sought the protection of the automatic stay in good faith."); *In re Arnold*, 806 F.2d 937, 939 (9th Cir. 1986) ("The debtor's lack of good faith in filing a bankruptcy petition has often been used as a cause for removing the automatic stay."). "Good faith is an amorphous notion, largely defined by factual inquiry. In a good faith analysis, the infinite variety of factors facing any particular debtor must be weighed carefully." *In re Okoreeh-Baah*, 836 F.2d 1030, 1033 (6th Cir. 1988). The determination of bad faith depends on an amalgam of various factors and not upon a single fact. *See Matter of Littlecreek Development Co.,* 779 F.2d 1068, 1072 (5th Cir.1986). Bankruptcy courts should examine factors that may include "the debtor's financial condition, motives, and the local financial realities." *Id.*

Here, Movants' bad faith argument rests on the fact that the Debtor has few unsecured creditors and the Debtor filed this petition on the eve of foreclosure, allegedly in order to prevent the foreclosure. The facts presented by the Movants are not sufficient to reach a finding of bad faith. Although the Debtor has few creditors and commenced this case just before the foreclosure sale date, these facts do not persuade the Court that the Debtor engaged in bad faith. *See Matter of Littlecreek Development Co.,* 779 F.2d at 1073 ("filing a bankruptcy petition on the eve of a scheduled foreclosure sale is not, by itself, sufficient to constitute bad faith") (internal citations omitted). Furthermore, the Movants rely on causes such as *In re Kornhauser*, 184 B.R. 425 (Bankr. S.D.N.Y 1995) and *In re Williams*, No. 1-09-44856, 2010 WL 411108 (Bankr. E.D.N.Y Jan. 27, 2010) for the contention that filing a petition on the

eve of foreclosure constitutes bad faith. However, the Movants also admit that those cases are distinguishable: in *In re Kornhauser* the Debtor had filed four petitions and "made little effort to comply with this obligations under the Bankruptcy code," and in *In re Williams* the debtor "did not file required documents during [the] proceeding." Reply at 8. Here, the Debtor has neither filed multiple petitions, nor has it failed to comply with its obligations under the Bankruptcy Code.

In addition, although the Debtor basically holds only one asset, *i.e.*, the Property, it fully secures all of the claims against it. The Debtor "expects to file a plan of reorganization that will pay 100% of the Lenders claim (as determined by the Court) with interest at the market rate. Opposition at 8. Having reviewed the Debtor's first monthly operating report [Doc. No. 25], the Court further notes that it appears that the Debtor has closed all pre-petition bank accounts and kept current on all insurance premiums. Additionally, there is no evidence that the Debtor was incorporated for the single purpose of seeking bankruptcy relief, or otherwise that the Property was transferred to Debtor on the eve of the bankruptcy filing.

Having considered the facts of this matter in their totality, the Court cannot conclude that Debtor's bankruptcy petition was filed in bad faith. Therefore, the Movants have not established entitlement to relief from stay pursuant to § 362(d)(1).

## III. Conclusion

Based upon the foregoing, the Motion is **DENIED**.

The Debtor shall submit a conforming order, incorporating this tentative ruling by reference, within seven (7) days of the hearing.

No appearance is required if submitting on the court's tentative ruling. If you intend to submit on the tentative ruling, please contact Daniel Koontz or Andrew Lockridge at 213-894-1522. **If you intend to contest the tentative ruling and appear, please first contact opposing counsel to inform them of your intention to do so.** Should an opposing party file a late opposition or appear at the hearing, the court will determine whether further hearing is required. If you wish to make a telephonic appearance, contact Court Call at 888-882-6878, no later than one hour before the hearing.

10:00 AM

**CONT... Med Equity, LLC** **Chapter 11**

**Note 1:** The Debtor also submits a valuation from its appraiser stating that the value of the property, once construction is completely finished, will be $11,000,000. The value of the property as finished is not relevant to this Court's findings because "the value of the property should be determined as of the date to which the valuation relates." *Matter of Savannah Gardens-Oaktree*, 146 B.R. 306, 308 (Bankr. S.D. Ga. 1992).

**Party Information**

**Debtor(s):**

| | |
|---|---|
| Med Equity, LLC | Represented By<br>Alan W Forsley |

**Trustee(s):**

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|---|---|
| Moriah Douglas Flahaut (TR) | Pro Se |